

# HOUSING

Housing in the Denny Triangle is a combination of vision and reality. The vision expressed in the comprehensive plan is for an additional 3,778 units (about 350% of current housing). The community's vision is of a mixed-income residential neighborhood, is to provide for 1,178 units of housing in each of the four (4) income categories. The current reality is of a neighborhood of enormous capacity and little development — parking lots, a few office towers, and a smattering of housing. It is mostly underutilized land, being banked while awaiting office development pressure to expand from the city's core.

To achieve the housing goal means breaking loose the realities of current development economics. This plan focuses on zoning/code changes and on incentive-based programs to increase office development capacity and leverage the new economics of that capacity to attract housing. Elements of this strategy include:

- Increasing the zoned development capacity of the Triangle Area, while retaining significant bonuses for housing in the development equation, and expanding their potential uses to include low-moderate and market-rate housing.
- Direct housing "super-bonuses" for the first 500 units of housing built within the Triangle neighborhood

- Provide an additional bonus for the first 300 housing units--serving residents in the 50%-80% median income range--built within the Denny Triangle neighborhood boundaries.
- Provide an additional bonus for the first 200 housing units--serving residents in the 80%-120% median income range--built within the Denny Triangle neighborhood boundaries.

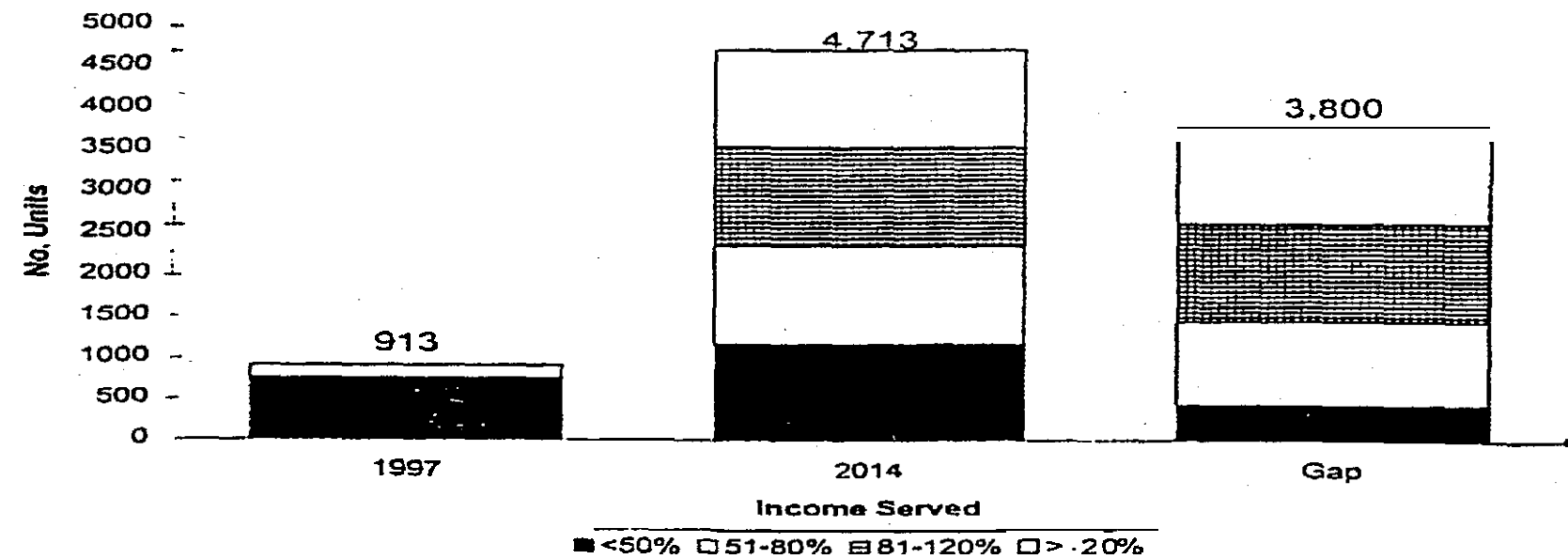
- Developing the conditions of the neighborhood — streetscape amenities, storefronts, and other housing — that attract housing development. Strategies include direct investments by the city, mitigation of large public projects such as the courthouse and the RTA station, and rewriting the city's current downtown bonus system to encourage development of streetscape and neighborhood amenities.
- Developer and community partnering with non-profit developers to develop mixed income housing projects that can create a core of housing
- Focusing on developing housing in a few large projects (such as air rights over the Convention Center RTA station) and along streets labeled as "residential enclaves."

Because the Denny Triangle is associated with five other neighborhoods in an overall planning effort for downtown, the specific zoning and bonus provisions should be built on the foundation of the overall recommendations, via Downtown Urban Planning Group, for Downtown Housing and Zoning. However, because the conditions and issues in Denny Triangle are in many cases, unique, there are expected to be some areas of individualized bonuses, zoning and other provisions.

## **Relationship to the Comprehensive Plan:**

The comprehensive plan is, in a sense, leading the effort to put a residential neighborhood in the Denny Triangle area. As an identified Urban Center Village, it suggests a target of 3,778 additional units of housing to be built in an area that barely contains 1,000 today. This suggests focused strategy options necessary to create incentives for that housing. In addition, language in the plan suggests that low-income housing should not be concentrated, but dispersed. Since the Denny Triangle currently contains only low-income or low-moderate income housing, the plan focuses on strategies to incentivize all housing, primarily moderate-income housing. This is a departure from historical city policy, but is well within the outlines of the new Comprehensive Plan Housing goals.

**DENNY TRIANGLE  
HOUSING  
STATISTICS  
AND  
TARGETS:  
1998-2014  
PRESENT,  
FUTURE AND  
EXISTING GAP**



# HOUSING RECOMMENDATIONS

Develop a diverse residential neighborhood in the Denny Triangle Area. Develop strategies to ensure that the housing target of 3,778 additional units is developed by 2014.

**H.1. Use bonuses, zoning, TDR's and city investment to encourage housing throughout the Denny Triangle Neighborhood. (See Land Use Recommendations for specific suggestions)**

1. Leverage Housing through increased development capacity for office development

2. Continue to allow housing to be exempt from FAR calculations in all zones
  3. Expand current downtown housing bonus to include moderate and low-moderate market-rate housing.
  4. Change the bonus schedule so that housing is bonused earlier
  5. Update the bonus schedules to reflect current value.
- H.2 Preserve and replace existing low-income units in the Denny Triangle neighborhood throughout**

- the life of the plan.**
1. Continue to inventory existing low-income units.
  2. Utilize tax-abatement strategies, in cooperation with programs associated with the Mayor's Housing Action Agenda, for existing and new housing projects
  3. Research and implement special low interest loan programs funded by the City, perhaps in cooperation with private lenders.
  4. Exempt utility fee connection charges and

other street related use fees for below 80% of median income housing development

### **H. 3. Create added incentives for immediate development of 500 units of housing.**

1. Consider a neighborhood-specific "superbonus" for housing development in the Denny Triangle.

- Provide an additional bonus ("super-bonus") for the first 300 housing units--serving residents in the 50%-80% median income range--built within the Denny Triangle neighborhood boundaries.

- Provide an additional bonus for the first 200 housing units--serving residents in the 80%-

120% median income range--built within the Denny Triangle neighborhood boundaries.

5. Evaluate the "superbonus" after five years or after 500 units have been permitted, whichever comes first. Consider removing the "superbonus" once these milestones have been reached.

#### **H4: Additional incentives for housing and amenity bonuses to encourage residential enclaves along green street couplets at 9th/Terry and Bell/Blanchard.**

1. Allow offsite bonuses for housing, amenities, and streetscape amenities, with additional preferences for investing in the above identified areas.

2. Invest city resources within the next three years to create tree plantings and sidewalk amenities. (See Key Projects)

3. Implement strategies to slow traffic, and encourage pedestrians, on the designated streets.

#### **H5: Develop or partner with a Community Development Corporation or non-profit housing group to monitor progress in Denny Triangle housing goals**

1. Identify a stewardship organization for meeting plan goals and involving the community in future decision making at the adoption of the Neighborhood Plan.

2. Develop pilot projects that mix subsidized low-income housing with market rate housing and office development throughout the neighborhood.

3. Negotiate with developers and the City to preserve or replace low-income housing.

4. Ensure continuous neighborhood participation from developers, residential interests, and other interested parties in implementing the Housing and other strategies of the neighborhood plan.

#### **H6: Adopt the Denny Triangle Housing Goals, the Urban Center Village Designation and Urban Center Village Boundaries as developed in the City's Comprehensive Plan.**

##### **Housing Goals:**

1. To create a mixed-use residential neighborhood, priority shall be given to increasing the number of residential households within the Denny Triangle neighborhood.

2. New residential development should support the growth targets for downtown and the City and provide housing for a mix of age, incomes and life styles that is safe, healthy, and produces a quality environment with a distinctive character.

3. Encourage a blended mix of housing types that can coexist side by side. Consider vertical as well as horizontal mixes of market rate housing in mid and high-rise structures with low-income hous-



# LAND USE RECOMMENDATIONS

The key recommendations of the land use element of the Denny Triangle Neighborhood Plan are designed to assist in the creation of a mixed use urban neighborhood that meets the City's Comprehensive Plan growth targets.

The Denny Triangle Neighborhood Plan envisions the transformation of an unrealized area of office development and large areas of surface parking lots into a vibrant neighborhood with a distinct identity, and a real "sense of place". The Neighborhood's desire is to partner with the City to leverage market forces to create this mixed-use neighborhood. Land use and regulatory changes are necessary to achieve this goal. The following are key goals, objectives and strategies recommended for the land use element of the neighborhood plan:

## Goal:

Create a mixed-use urban neighborhood that meets the City's Comprehensive Plan growth targets for households and employment through changes in the City's current land use/zoning policies that will stimulate both residential and commercial development within the Denny Triangle.

## Objectives:

To create a mixed-use neighborhood that combines commercial office development, retail sales and services, social and public services, and residential households throughout the Denny Triangle neighborhood.

To use zoning changes, bonusable public benefit features, increased height limits and public amenities to

encourage a blend of commercial and residential development and public open spaces.

To encourage a mix of low, moderate and market rate affordable housing throughout the neighborhood with project specific mixes of commercial and residential development. Encourage a "residential enclave" of predominately residential development along key green streets with specific public amenities such as small parks, improved streetscapes, retail functions and transportation improvements that support both residents and neighborhood employees.

To develop a system of incentives, floor area bonuses, height limit increases, transfer of development rights (TDR's), design review processes and property tax abatement exemptions that encourage the development of affordable housing in the neighborhood. To take advantage of planned transportation and mobility improvements over the next 10 years to focus future growth.

## Strategies/Actions

### Zoning Actions:

Increase the floor area ratio, height limits, and bonus provisions in DOC-2 while retaining the exemption from



FAR calculations for residential uses.

Increase existing height limits by 100 feet in all zones throughout the Denny Triangle.

**Incentive System/Development Standards:**

1. Increase the Base Floor Area Ratio (FAR) in DOC-2 from 4 times the lot area to 7 times and increase the maximum FAR from 10 to 14. The bonusable public benefits used to achieve the maximum FAR would include incentives to create affordable housing, which is targeted within the Denny Triangle neighborhood boundaries. Exempt floor area for housing and street level retail uses from total FAR calculations in DOC-
2. Add 9th Avenue between Pike Street and Denny Way to the Green Street designation as a public benefit feature.
3. Revise the current bonus provisions and public benefits menu to include all types of housing, including market rate, through the system of a "housing pool". This would bonus the first 500 to 600 market-rate housing units built within the Denny Triangle neighborhood boundaries to encourage a mix of housing types and levels of affordability.
4. Reduce upper level building setback and open space requirements for small lot development on parcels less than 15,000 square feet in area. Provide incentives and TDR's for small lot development to allow their use as mid-rise, stick-frame developments.
5. Create a system that bonuses public open space,

Green Streets and parcel parks on off-site lots to create a Denny Triangle neighborhood park. A number of developments could receive bonus credits for contributions to the creation of open space within the neighborhood boundaries. Permit TDR's from sites for open space.

6. Permit high ceiling parking bays and or high ceiling apartments on the ground floors of new commercial or mixed-use developments that can easily be converted into retail space and restaurants once the market for these uses becomes viable.

